

Questions and Answers
City of Lincoln and Lancaster County Health Insurance RFP
Spec #05-063

- 1) Is the current plan a PPO or POS? Looks like experience includes capitations so need to know this ASAP to do plan reviews.

Answer 1: The current plans are POS plans.

- 2) The City 's experience seems to show a 1000 ee drop in lives on 01/04, is this correct?

Answer 2: This is a reporting error. Please refer to the revised attachment 9.

- 3) Can we get a large claim listing?

Answer 3: Please refer to attachment 13 to this RFP for a listing of large claims over the period 2/1/04 through 1/31/05.

- 4) What is the specific stop loss amount requested, looks like on pg. 12 it's \$150k, and pg. 27 it's requested to be \$125k. Need to know which is required.

Answer 4: The City and County are requesting specific stop-loss with a \$150,000 deductible and 125% aggregate stop-loss insurance.

- 5) It's required to be signed in ink, is there a signature page?

Answer 5: There is no signature form. It is requested that someone with authority from your organization formally signs your proposal in ink, e.g. a cover letter.

- 6) Is it possible to get, for the County, current ASO fees, stop loss rates and aggregate factors?

Answer 6:

Coverage	Rate	Contract
ASO	\$41.49 PEPM	12 month
Specific Stop-loss	\$25.90 PEPM	12/12
Aggregate Stop-loss premium	\$2.70 PEPM	Paid/12
Aggregate Stop-loss factors	Trigger factor \$758.78 PEPM	N/A

- 7) Can you give me a complete break down in the county's rates for the following: Aggregate & Specific fees?

Answer 7: See question 6 above

- 8) Admin Fees and any other fees attached for self-funding?

Answer 8: See question 6 above

9) Are there any aggregate factors for the county?

Answer 9: See question 6 above

10) If possible can you provide a complete experience for the past three years, including population of covered employees and dependents by month? If 3 years is not available we would need 1 year of experience. The more information we can get the better we are able to propose and provide both the city and county with the most competitive rates.

Answer 10: See attachments 9 and 10 to this RFP

11) What are the current Admin TPA fees?

Answer 11: See question 6 above

12) What are your COBRA & HIPAA fees?

Answer 12: COBRA is contracted to separately from the health insurance and is not out for bid. HIPAA fees are included in the ASO fees described in question 6 above.

13) What are your current mail order and retail prescription drug discounts?

Answer 13: This information is currently not available. The prescription drug plan for the City is insured and the County's prescription drug plan is part of the ASO agreement with UnitedHealthcare.

14) Do you receive RX Rebates? If so formula?

Answer 14: Lancaster County does not currently receive a portion of the rebates. The City of Lincoln is fully insured.

15) What are your case management fees?

Answer 15: These are included in the ASO fees. See question 6 above.

16) Who is your current administrator?

Answer 16: UnitedHealthcare

17) What is your PPO Network?

Answer 17: UnitedHealthcare

18) Can you provide a number of claims report for the past year for both the County and City?

Answer 18: See the attachments to this RFP for premium, claims, and enrollment history.

19) What does the county and city consider a “living wage”?

Answer 19: This information can be found at the following website:

<http://www.lincoln.ne.gov/city/finance/purch/lwage.htm>

20) Can you identify all Large Claimants individually at 50% of the specific (\$75,000) and de-identify them along with a diagnosis of their condition and future treatment plan or case management notes so the carriers know how to evaluate the risk of the two groups. The large claim information does not help them that was provided.

Answer 20: See attachment 13 to this RFP which has been submitted with this document.

21) Since Lancaster County is currently self-insured 1-1-05 – can you provide their current stop loss/reinsurance rates and aggregate factors and aggregate premium rate so the carrier can be competitive – this only helps with the quote process.

Answer 21: See question 6 above.

22) Does the claims experience provided for the County include run-out claims from their insured contract?

Answer 22: Yes

23) Do the City and or County have specific requests in regards to the incurred and or paid terms of any reinsurance coverage offered?

Answer 23: They do not have specific requests.

24) In the Conditions section number 9 of the RFP, it refers to the City and County’s right to perform claim and financial audits. Please confirm that these audits would be at the expense of the City and or County.

Answer 24: Yes.

25) The Enrollment, Premium and Claims exhibit provided for the City of Lincoln shows a significant fluctuation beginning January 1, 2003 and ending December 31, 2003. Is this correct? If not, please provide accurate reports. If so, what was the cause of the enrollment fluctuation? If the enrollment drop in December of 2003 was a result of terminations, layoffs, etc. Are there any run-out reports which pertain to these individuals to identify run-out which occurred in 2004 for people no longer covered?

Answer 25: This is a reporting error. Please refer to the revised attachment 9.

26) The Enrollment, Premium and Claims exhibit provided for Lancaster County runs through January 1, 2005. Effective January 1, 2005, the County changed to a self-funded arrangement. Does the claims experience for January 2005 reflect run-out claims from their prior contract/funding arrangement?

Answer 26: Yes.

27) In the RFP, it asks for 2004 experience but Attachment 8 refers to 2003. Is 2003 a typo on Attachment 8?

Answer 27: Yes, 2003 is a typo. The City and County are requesting 2004 hospital experience.

28) Page 24 of the RFP asks for 2004 claims experience: Does the City and or County want this by paid date or date of service?

Answer 28: Date of service.

29) Benefit Summary (attachment #3) Questions

a) Under # 5 does this pertain to both Medical and Routine Eye Examinations? Under Non-Network it states Eye Examinations for refractive errors are not covered, what exactly is this visit?

Answer 29a: There is no coverage for out-of-network care.

b) Under # 7 Hospice Care, is this 360 day benefit for I/P Hospice services only? What about Respite care, Medical Social Services, etc?

Answer 29b: This is for hospice care only.

c) Under # 16 Rehabilitation Services - O/P Therapy would the copay apply to both Professional and Facility charges?

Answer 29c: This is billed as an office visit so the one co-pay covers both the professional and facility charges.

d) Under # 18 Transplantation Services -- Is there not a limit for Network benefits?

Answer 29d: There is no limit.

e) Under the Mental Health and Substance Abuse Services O/P, what about all non-therapy office visits, which copay would they fall under? What would be the payment level of all other MIDA services on the Network side?

Answer 29e: This would be \$15 or \$10 depending on the type of visit.

f) Under the Spinal Treatment section, what is meant by diagnosis and related services?

Answer 29f: These terms may vary by provider but generally a diagnosis is performed during an office visit while related services include manipulations and other procedures.

30) Summary Plan Descriptions (attachments #4 & #5) Questions

a) Per both SPD's, there are Notify Us paragraphs for most covered services that address that there must be notification for services rendered, and if no notification, then benefits are reduced to 50%. Who do the members notify?

Answer 30a: For in-network, it is the healthcare provider's responsibility to notify the insurance provider. For out-of-network, the participant must notify the insurance provider.

b) Part 7 and 17 regarding eye exams/refractions, etc. seem to contradict one another. Please verify what is payable and how.

Answer 30b: Part 7 is for routine care. Part 17 is for non-routine care.

c) Please define voluntary family planning.

Answer 30c: Generally, this covers vasectomy.

d) Are immunizations for both the City and the County from birth to age six without deductible?

Answer 30d: Yes, this is part of well-baby care.

e) Is vision by a non-network provider covered?

Answer 30e: No.

f) Under City of Lincoln it appears medical eye exams would be covered under the Physician's Office Services benefit? Under Lancaster County we don't see where medical eye examinations are covered. Are they supposed to be?

Answer 30f: Yes.

g) Is Respite Care covered?

Answer 30g: Yes, if ordered by a provider.

h) Are Medical Social Services and other Hospice services part of the 360 day benefit period?

Answer 30h: Yes, we believe this would be interpreted broadly.

- i) Both SPD's state that you must call the Mental Health/Substance Abuse Designee to receive benefits. This further states that without authorization, you will be responsible for paying all charges and no Benefits will be paid. Who is the designee or will be administering this?

Answer 30i: United Behavioral Health presently provides this service for UnitedHealthcare. The City and the County will accept proposals with contractual transfer or through designated employees, as long as the service is provided.

- j) It was our understanding that the benefits for the City and the County were to be the same? This does not appear to be the case as the SPD's appear to be different. Should they be the same?

Answer 30j: Benefits should be the same between the two plans with the only exception being that the plan maximums are different at this time due to the City having an insured benefit and the County a self-insured benefit. Please note that although the benefits are essentially the same, the City and County are separate contracts and should be treated as separate plans.

- k) If the SPD's are supposed to be the same, which of the two SPD's is accurate and should be used to determine what the benefits are?

Answer 30k: See question 30j above.

31) City of Lincoln:

- a) Please provide large claims for 2002 & 2003.

Answer 31a: Please see attachment 13 (submitted with this document) of this RFP for additional large claim information.

- b) Please confirm Rx coverage is requested in both the Specific and Aggregate coverage.

Answer 31b: Yes.

32) Lancaster County:

- a) Please provide large claims for 2002 & 2003.

Answer 32a: Please see attachment 13 (submitted with this document) of this RFP for additional large claim information.

- b) Please confirm Rx coverage is currently in both the Specific and Aggregate coverage.

Answer 32b: Yes.

- c) What is the current stop loss contract, i.e. 12/12, 12/15?

Answer 32c: Please see question 6 above.